

## Commodity Credit Corporation, USDA

## § 1415.8

been leased or is owned by someone other than the prospective GRP participant may be offered for participation in the program. However, if an applicant submits an offer for an easement project, USDA will assess the potential impact that the third party rights may have upon the grassland resources. USDA reserves the right to deny funding for any application where there are exceptions to clear title on any property.

### § 1415.6 Participant eligibility.

To be eligible to participate in GRP an applicant:

- (a) Must be a landowner for easement participation or be a landowner or have general control of the eligible acreage being offered for rental agreement participation;
- (b) Agree to provide such information to USDA that the Department deems necessary or desirable to assist in its determination of eligibility for program benefits and for other program implementation purposes;
- (c) Meet the Adjusted Gross Income requirements in 7 CFR part 1400; and
- (d) Meet the conservation compliance requirements found in 7 CFR part 12.

### § 1415.7 Application procedures.

(a) Any owner or operator or tenant of eligible land that meets the criteria set forth in § 1415.6 of this part may submit an application through a USDA Service Center for participation in the GRP. Applications are accepted throughout the year.

(b) By filing an Application for Participation, the applicant consents to a USDA representative entering upon the land offered for enrollment for purposes of assessing the grassland functions and values and for other activities that are necessary for the USDA to make an offer of enrollment. Generally, the applicant will be notified prior to a USDA representative entering upon their property.

(c) Applicants submit applications that identify the duration of the easement or rental agreement for which they seek to enroll their land. Rental agreements may be for 10-years, 15-years, 20-years, or 30-years; easements may be for 30-years, permanent, or for

the maximum duration authorized by State law.

### § 1415.8 Establishing priority for enrollment of properties.

(a) USDA, at the national level, will provide to USDA offices at the State level, broad national guidelines for establishing State specific project selection criteria.

(b) USDA, at the State level, with advice from the State technical committee, establishes criteria to evaluate and rank applications for easement and rental agreement enrollment following the guidance established in paragraph (a) of this section.

(c) Ranking criteria will emphasize support for:

- (1) Native and naturalized grassland;
- (2) Protection of grassland from the threat of conversion;
- (3) Support for grazing operations; and
- (4) Maintenance and improvement of plant and animal biodiversity.

(d) When funding is available, USDA, at the State level, will periodically select for funding the highest ranked applications based on applicant and land eligibility and the State-developed ranking criteria.

(e) States may utilize one or more ranking pools, including a pool for special project consideration such as establishing a pool for projects that receive restoration funding from non-USDA sources.

(f) The USDA, with advice from the State technical committee, may emphasize enrollment of unique grasslands or specific geographic areas of the State.

(g) The FSA State Executive Director and NRCS State Conservationist, with advice from the State technical committee, will select applications for funding.

(h) If available funds are insufficient to accept the highest ranked application, and the applicant is not interested in reducing the acres offered to match available funding, USDA may select a lower ranked application that can be fully funded. Applicants may choose to change the duration of the easement or agreement or reduce acreage amount offered if the application ranking score is not reduced below that

## § 1415.9

of the score of the next available application on the ranking list.

### **§ 1415.9 Enrollment of easements and rental agreements.**

(a) Based on the priority ranking, USDA will notify applicants in writing of their tentative acceptance into the program for either rental agreement or conservation easement options. The participant has 15 calendar days from the date of notification to sign and submit a letter of intent to continue. A letter of intent to continue from the applicant authorizes USDA to proceed with the enrollment process and evidences a good faith intent on the part of the applicant to participate in the program.

(b) An offer of tentative acceptance into the program does not bind the USDA to acquire an easement or enter into a rental agreement, nor does it bind the participant to convey an easement, enter into a rental agreement, or agree to restoration activities.

(c) For easement projects, land is considered enrolled after the landowner signs the intent to continue. For rental agreements, land is considered enrolled after a GRP contract is approved by USDA and signed by the participant.

(d) USDA provides the applicant with a description of the easement or rental area; the easement terms or rental terms and conditions; and other terms and conditions for participation that may be required by CCC.

(e) For easements, after the land is enrolled, USDA will proceed with the development of the conservation plan and obtain an appraisal. If the landowner accepts the appraisal offer from USDA, the landowner signs an option agreement to purchase for the appraisal amount. USDA will then proceed with other easement acquisition activities, which include a survey of the easement, securing necessary subordination agreements, procuring title insurance, developing a baseline data report, and conducting other activities necessary to record the easement.

(f) Prior to execution by USDA and the participant of the rental agreement or easement, USDA may withdraw its offer anytime due to lack of available funds, title concerns for easements, or

## 7 CFR Ch. XIV (1–1–07 Edition)

other reasons. For easements, the appraisal offer to the participant shall be void if the easement is not executed by the participant within the time specified in the option agreement to purchase.

### **§ 1415.10 Compensation for easements and rental agreements.**

(a) Compensation for easements will be based upon:

(1) The fair market value of the land, less the grazing value encumbered by the easement as determined by an appraisal for permanent easements; and

(2) Thirty percent of the value determined in paragraph (a)(1) of this section for 30-year easements or for an easement for the maximum duration permitted under State law.

(b) For 10-, 15-, 20-, and 30-year rental agreements, the participant will receive not more than 75 percent of the grazing value in an annual payment for the length of the agreement, as determined by USDA. USDA may adjust rental agreement rates, not to exceed the statutory limits, based on duration of agreement, inflation, and other economic considerations associated with grazing lands.

(c) In order to provide for better uniformity among States, the FSA Administrator and the NRCS Chief may review and adjust, as appropriate, State or other geographically based payment rates for rental agreements.

(d) For easements, to minimize expenditures on individual appraisals and to expedite program implementation, USDA may complete a programmatic appraisal to establish regional average market values and grazing values if acceptable under federally recognized real property valuation standards.

(e) Easement or rental agreement payments received by participant shall be in addition to, and not affect, the total amount of payments that the participant is otherwise eligible to receive under other USDA programs.

### **§ 1415.11 Restoration agreements.**

(a) Restoration agreements are only authorized to be used in conjunction with easements and rental agreements. NRCS, in consultation with the program participant, determines if the grassland resources are adequate to